

In the Claims:

1. (Currently amended) A method of distributing digital source material comprising:

passing encoded source material to a destination through at least one intervening steganographic decoder process, the encoded source material comprising plural-bit auxiliary data steganographically embedded in the digital source material, the digital source material including visual or audio signals that are perceptible when output from a device, and the visual or audio signals including imperceptible modifications to perceptible parts of the visual or audio signals to embed the plural-bit auxiliary data in the perceptible parts in a manner that is imperceptible to a user, the imperceptible modifications adaptively changing values of the perceptible parts of the visual or audio signals by a varying amount that depends on the values of the perceptible parts;

[~~at~~] within said intervening steganographic decoder process, detecting encoded source material transmitted thereby; and

crediting a payment in response to said detection of the encoded source material, in accordance with the plural-bit auxiliary data steganographically conveyed by the encoded source material.

2. (Original) The method of claim 1 which includes decoding plural-bit auxiliary data only from source material that has first been tested to indicate the likely presence of such auxiliary data therein.

3. (Original) The method of claim 2 which includes testing source material by reference to an encoding attribute that is supplemental to said encoded plural-bit auxiliary data.

4. (Original) The method of claim 3 in which said attribute is the presence of a characteristic signature signal conveyed by said source material.

5. (Original) The method of claim 4 in which the signature signal is a repetitive noise burst signal.
6. (Previously presented) The method of claim 1 in which said passing includes distributing through a network of interconnected computers.
7. (Original) The method of claim 1 reporting said detection to a location remote from detection; and  
crediting royalties based on detection.
8. (Currently amended) A method comprising:  
presenting audio source material to a consumer, the material being encoded steganographically to convey plural-bit auxiliary data, the audio source material including an audio signal that is audible when output from a device, the audio signal including imperceptible modifications to embed the plural-bit auxiliary data that are imperceptible to the consumer, the imperceptible modifications changing values of audible parts of the audio signal;  
decoding the audio source material that is presented to the consumer to decode the auxiliary data therefrom; and  
using the plural-bit auxiliary data to retrieve information about the source material from a remote location.
9. (Original) The method of claim 8 that includes:  
storing data indicating the audio source material(s) presented to the consumer;  
generating a report based on the stored data, indicating the audio source material(s) presented to the consumer.
10. (Previously presented) The method of claim 8 which includes detecting the presented audio source material with a microphone, and decoding the auxiliary data from the audio signal within a microphone output signal.

11. (Currently amended) A method comprising:  
receiving a digital object steganographically encoded with plural-bit auxiliary data, the digital object including perceptible visual or audio signals with imperceptible modifications that have been made to encode the plural-bit auxiliary data in the visual or audio signals of the object, the imperceptible modifications adaptively changing values of perceptible parts of the visual or audio signals by a varying amount that depends on the values of the perceptible parts;  
decoding the plural-bit auxiliary data from the object;  
consulting a registry to determine a transaction associated with the object, by reference to said decoded plural-bit auxiliary data; and  
making a payment in accordance with the transaction.
12. (Original) The method of claim 11 that includes making said payment through the registry.
13. (Original) The method of claim 11 in which the object is a work of authorship, and the encoding adds a generally imperceptible level of noise to the object as it is perceived by a consumer thereof.
14. (Original) The method of claim 11 in which the registry comprises a database accessible through the internet.
- 15-25 Cancelled
26. (Previously presented) A method of altering a music signal to steganographically insert plural bits of watermark data therein, characterized by steganographically inserting at least a first group of said bits for benefit of an end-user of the music signal by imperceptibly altering audible attributes of the music signal, inserting a second group of bits different than the first for benefit of an artist whose music is encoded by said music data, inserting a third group of bits different than the first two for

benefit of a distributor of the music data, and storing in a registry accessible to the end user an association between information about the music data and at least a portion of the plural bits.

27. (Previously presented) The method of claim 26 including storing in the registry an association between the first group of bits and an internet address of a web site accessible by end-users of the music signal, the registry providing the web site address in response to receiving at least the first group of bits.

28. (Previously presented) The method of claim 26 in which the second group of bits includes bits representing a unique identifier for the music signal, permitting machine identification of the signal and royalty credit to the artist.

29. (Previously presented) The method of claim 26 in which the third group of bits represents usage restrictions to which audio appliances are responsive, thereby driving distribution of additional copies of the music signal.

30-90 Cancelled

91. (Previously presented) The method of claim 1 wherein the payment is credited for entertainment content provided to the user in response to processing at least a portion of the plural bit auxiliary data.

92. (Previously presented) The method of claim 91 wherein the entertainment content is different from the encoded source material and is provided from a location remote from the steganographic decoder.

93. (Previously presented) The method of claim 8 wherein at least a portion of the plural bits are used to obtain an address of a web site related to the audio source material, and at least a portion of the plural bits are used to identify the audio source material.

94. (Previously presented) The method of claim 11 wherein the transaction comprises providing content related to the object to a user, and the payment comprises payment associated with providing the content related to the object to the user.